GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:342
ANSWERED ON:17.08.2000
INVESTMENT BY FOREIGN COMPANIES FOR SUPPLY OF LPG
RAM LAKHAN SINGH;RATILAL KALIDAS VARMA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether the Government have received proposals from foreign companies for investment for supply of LPG to various States of the country;

(b) if so, the details thereof, company-wise and State-wise;

(c) the percentage of total supply proposed to be met by these foreign companies; and

(d) the number of agreements signed by the Government in this regard so far ?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK)

(a) to (d): A statement is laid on the table of the House.

STATEMENT IN RESPECT OF PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 342 TO BE ANSWERE 17.8.2000 RELATING TO INVESTMENT BY FOREIGN COMPANIES FOR SUPPLY OF LPG.

(a) & (b): Consequent upon the liberalization in the Petroleum Sector, Government have received proposals from various foreign companies for investment in Oil Sector including Liquefied Petroleum Gas (LPG). Foreign Investment Promotion Board (FIPB) ha approved 37 cases of foreign companies with a proposed foreign investment of about Rs. 2,739 crores in the projects relating to LPG in the country upto 30th June, 2000. Private/foreign companies can import and sell LPG with their own distribution network under parallel marketing scheme (PMS).

(c) Foreign companies/private companies under PMS are free to import and supply LPG as per their own market assessment and requirement.

(d) Public Sector Oil Marketing Companies have entered into agreements with the following foreign companies:-

(i) Indian Oil Corporation (IOC) in joint venture with Petronas, Malaysia has formed aJoint Venture (JV) company for setting up an LPG import terminal of capacity 600 Thousand Metric Tonnes Per Annum (TMTPA) at Haldia in West Bengal.

(ii) Bharat Petroleum Corporation Limited (BPCL) has formed a JV with Shelland have set up a LPG import terminal of 90 TMTPA capacity at Pipavav in Gujarat.

(iii) Hindustan Petroleum Corporation Limited (HPCL)has formed a JV with TotalFina S.A., France for construction of LPG cavern storage of 60 TMT for receipt of LPG at Visakhapatnam in Andhra Pradesh.